GOVERNMENT OF INDIA
TRIBAL AFFAIRS
LOK SABHA

STARRED QUESTION NO:561
ANSWERED ON:23.05.2006
TRIBAL CO OPERATIVE MARKETING DEVELOPMENT FEDERATION
Nayak Shri Ananta

Will the Minister of TRIBAL AFFAIRS be pleased to state:

(a)Whether the Government has undertaken any study to assess the working of the Tribal Co-operative Marketing Development Federation (TRIFED) since its inception;

(b) If so, the outcome thereof;

(c) Whether TRIFED has been incurring losses;

(d) If so, the details of losses suffered by TRIFED during each of the last three years;

(e) The action taken to check such losses; and

(f) The steps taken by the Government to ensure that the tribals are actually benefited by TRIFED?

Answer

MINISTER OF TRIBAL AFFAIRS (SHRI P.R. KYNDIAH)

(a)to (f): A statement is laid on the Table of the House (ANNEXURE).

ANNEXURE

Statement referred in reply to parts (a) to (f) of Lok Sabha Starred Question No.561 for answer on 23.5.2006

(a) & (b): Yes, Sir. The Tribal Cooperative Marketing Development Federation of India Limited (TRIFED) engaged a firm of private consultants in the year 2002 for conducting a diagnostic study and preparing an operational plan, including restructuring of the organization for improving its functioning and performance. On the basis of the diagnostic study, the consultants had recommended a change in the role of TRIFED from an agency for procurement and trading in minor forest produce to marketing development activities. TRIFED accordingly reoriented its activities in the year 2002-03 to play the role of a service provider and marketing developer of tribal products.

(c) & (d): The information relating to the last three years is as under:

Year	(Rs. Crores) Profit/Loss
2003-04	0.84 (Profit)
2004-04	1.85 (Loss)
2005-06	2.88 (Loss)

(provisional)

(e) TRIFED has taken the following measures to avoid losses in future: TRIFED has started shifting the focus of its activities from mere trading of tribal products to actual market development activities after July, 2002. The Bye-laws of TRIFED were also amended accordingly and more particularly in line with the provisions of the Multi State Cooperative Societies Act, 2002. The new Bye-laws which came into force w.e.f. 2.4.2003, clearly define its objectives and role as a service provider to its member societies.

Strict financial austerity measures and discipline has been enforced.

Steps to ensure strict vigilance and accountability in day-to-day functioning of TRIFED have been undertaken.

The process of audit has been streamlined.

As a result of concerted efforts, TRIFED has been able to make progress in the legal cases for recovery of the dues from the disputed parties.

(f)TRIFED has taken steps for the promotion and marketing of tribal handicrafts and processed/value-added Minor Forest Produce (MFP) and Surplus Agricultural Produce (SAP) through a series of marketing and development initiatives, including retail marketing of tribal products by direct sale through their eleven sales-outlets called `TRIBES India`, imparting of training to tribals so as to upgrade their skills, etc.